

St. Mary Rehabilitation Working Group Meeting
Noon – 4:30 May 23, 2006
Duck Inn – Havre, Montana

Welcome and Introductions:

Members Present: Dave Peterson, Kevin Salsbery, Marko Manoukian, Michael DesRosier, Dolores Plumage, Mike Barthel, Randy Perez, Jim Rector, Don Wilson, John Lacey, Gary Anderson, Art Kleinjan, Matt McCann

Staff Present: Larry Mires (Exec. Director), Brandi Beecher (Exec. Assistant), Judy Edwards (MT Consensus Council)

Information included in meeting handouts:

- May 23, 2006 Meeting Agenda
- Draft April 26, 2006, SMWG Meeting Notes.
- Approved March 22, 2006, SMWG Meeting Notes.
- St. Mary Rehabilitation Working draft letter requesting financial support
- St. Mary & Milk River Water Allocations press release
- Talking Points at IJC Hearings
- Video/Teleconferencing Estimated Cost Analysis
- St. Mary Working Group Income Statement & Accounting Statement

Executive Director's Report

- Larry gave an overview of travel during the past month. He gave presentations to the Montana Economic Developers Association and Montana Chamber of Commerce Spring Conference.

Financial Report

- Brandi reviewed financial report.
- John Tubbs talked about work completed by Great West Engineering last summer, that may be paid by Glacier County and the potential of that payment being documented as match to SMRWG by Glacier County.
- Michael DesRosier will investigate the Great West Engineering bill of \$3,000 and report back to the SMRWG.

Operations Report

- Ed H. gave an overview of current operations:
 - Shurburne is at 21,000 acre feet, which is 100% of average and is filling at 2-3 ft per day.
 - Fresno Reservoir is at 100% of average. Inflow is 680 cfs.
 - Nelson Reservoir is at 100% of average and has about 1.8 feet to fill.

Congressional Updates

- Seth Broesder reported Congressman Rehberg continues to support the St. Mary/Milk River Rehabilitation project.
- John Tubbs added Appropriations were not included in House. He said the main problem was trying to get appropriations without Congressional Authorization of the project.
- Sara Converse reported Senator Burns and his staff continue to work on the St. Mary/Milk River Rehabilitation Project. She expects the Interior appropriations to be

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released by July 4 recess. The SMRWG language was returned to Burns' office late last week and Burns staff is working with John and Larry and should be released to the SMWG soon. Potential of Senate Energy Resources Field hearing being held in July or August in Montana.

- Kristina Davis reported Senator Baucus continues to support SMRWG efforts.

Video Teleconference Meeting Discussion

- Brandi reported approximate costs of using video conference system instead of meeting face to face monthly. Vision Net teleconferencing system costs \$30 per site, per hour. State teleconferencing bridge costs approximately .10 cents per minute per long distance line plus a \$40 set-up fee.
- SMRWG discussed use of teleconferencing vs video conferencing John L. stated he would like to try it. Dave P said it should be used for informational meetings.
- After extensive discussion, SMWG needs more information on costs and locations. Group agreed video conference sites should be Helena, Browning, Chinook, Malta and Glasgow and meetings should be scheduled for three hours.
- Brandi will get estimates on using those locations for three hours and report back to SMRWG.

Fundraising Report

- Gary & Larry talked about fundraising efforts. SMRWG reviewed draft fundraising letter to be sent out requesting donations.
- Gary A. questioned why Counties were asked to donate different amounts. Larry said it was based on the County's population and City requests were based on \$1.50 per resident.
- SMRWG discussed who will receive the letters. Need to send a donation request to Hill County Water District.
- Larry questioned if an invoice should be included in donation requests to municipalities. Art Kleinjan said Blaine County pays on invoices and felt invoices should be included.
- SMRWG approved donation request letter with some minor wording changes.
- Larry reported the donation request letter will be submitted to every irrigator & pumper.
- Ed H. reported BOR has an updated mailing list and will forward it to Larry.

Update on Authorization

- John Tubbs handed out information and reported the Authorization language should be released to the SMRWG by Friday. Larry and John have been working with Heather Stefanik with Senator Burns' office to make sure SMRWG interests are included. He reported there are some things in the bill that have been removed from the draft legislation.
- Matt McCann asked if there is a copy of the authorization available? Larry responded that our authorization and Bureau's language has been put together, so John Tubbs and Larry Mires have been working to make sure all working group issues are addressed. A copy will be released to SMWG soon.
- John talked about some of the problems they have been working on. The first draft was for authorizing a study not the construction authorization. Cost share language is being negotiated, and NEPA compliance has received some changes. Hope to have draft out by the end of the week. Must be sellable to SMWG as well as to Senators. A catastrophic failure provision has been added, as well as the establishment of Congressional funds that may turn into a cost share in case of failure.

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- Jeanne reported the Blackfeet Tribe will look at the draft very closely to make sure their provisions are in the Legislation and very close to the way it was drafted. If it is not what was requested, the Blackfeet Tribe may not be supportive.
- Matt questioned the Compact Commissioner's efforts with Fort Belknap. Jay Wiener reported Fort Belknap Tribes are working to complete a Bill that will be presented to Congress by the end of the month. Looking at land exchange for Fort Belknap as well and a dollar figure. Dolores questioned the tribal ratification. Randy Perez said that each Water Compact that has been approved has been ratified by the Tribal Councils. Fort Belknap must have the referendum of voters to ratify the water compact. Dolores questioned land exchange...Randy said Tribal Council is working on land exchange.
- John Lacey questioned the first paragraph on handout, referring to draft authorization submitted by USBR. John Tubbs explained the draft was not given to SMWG. Tubbs said the draft does two things, authorizes two year feasibility study and a safety net. Tubbs suggested, if a Working Group member has a concern, they should try to work through working group, but, if concerned contact Larry, John or Senator Burns' staff.
- Larry reported, as soon as SMRWG receives the draft authorization, it will be emailed out to each Working Group member. Then Larry will call each individual working group member to discuss the authorization. A telephone conference call will be scheduled within five working days of receiving the draft authorization language.
- Randy Reed added this is a group effort and it is very important to continue working together. He said each member may not receive everything that they wanted, but need to continue to work together with the goal of rehabilitation in mind.

IJC Meeting Preparation & Discussion

- Rick Moy gave presentation on the IJC water apportionment and passed out handouts. Discussed the amount of water Canada is receiving compared to US. The US receives even less than its entitlement under the 1921 Order and Canada receives more. This is due to the constraints placed on the US by the existing Administrative Procedures. For example, average over 1997-2002, United States was Entitled to 43.4% and received 36.8% and Canada's entitlement was 56.6% and received 63.2%. DNRC supports changing administrative rule change to an annual balancing period.
- Marko asked how Canada can receive more benefit if the Milk River is dry during end of the summer. Why was that not in the report? Rich said that portion of the report was eliminated and due to a short timeline, it was not reinstated.
- John Tubbs talked about the economic impacts of receiving the US's fair share of water. He felt it is was important for irrigators to talk about their real life experiences and the economic impact of receiving their share of water to their businesses.
- Jeanne questioned what the hearing is intended to do because the oral testimony won't be official testimony. The written comments will be used to complete the final report, the oral comments will be given to two members of the IJC.
- Max Maddox showed an American flag along with a book that was given to him by the John Cronk family. The flag had the inscription "Milk River Sept 15, 1921 Milk River Dispute." Max reminded the SMRWG that this dispute has a lot of history.
- Gary Anderson talked about the article he wrote. He found that most people didn't read the article. Felt it is more important to get the word out by giving oral presentations to groups. Several SMWG members said the article stimulated conversations.

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PUBLIC COMMENT

- There were no comments offered by the public.

Summary of Agreements

- SMRWG approved April 26 meeting notes.
- SMRWG approved Fundraising Committee draft fundraising donation request letter.

Summary of Action Items

- Brandi will continue to investigate the option of video conferencing, checking on cost of holding 3 hour meeting at video conference locations. (Browning, Chinook, Malta, Glasgow and Helena.
- Paul A. will update the in-kind match SMRWG members have contributed.
- Michael DesRosier will report back to the SMRWG on Great West Engineering bill of \$3,000. The amount may be used as match from Glacier County.
- SMRWG will hold telephone conference call within five business days of receiving draft authorization.
- Paul A. will reserve State Conference Bridge for SMRWG conference call.

Next Meeting

- Fort Peck on June 28, 2006
- Conference call on draft authorization in next couple weeks.